

# **FISCAL NOTE**

## **SB 2463 - HB 2689**

February 10, 1998

**SUMMARY OF BILL:** Amends current law regarding the issuance of certificates of need for nursing homes. Current law places a cap of 125 annually on skilled nursing facility beds and 125 regular nursing homes beds for fiscal year 1997. This bill deletes that provision and implements use of a population based need assessment formula beginning July 1, 1998. This methodology is in current law but was never used. This bill also extends the current moratorium on the 10 bed/10% provision in the CON law.

### **ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact: TennCare/Medicaid expenditures are not estimated to increase because the TennCare Bureau has implemented a global funding cap for nursing home reimbursement based upon the budgeted appropriation, however the reimbursement rate for nursing home beds may be impacted.**

For information purposes: According to the Health Facilities Commission the number of nursing home beds would increase by approximately 700 under this legislation.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director